

INDEPENDENT STATE OF PAPUA NEW GUINEA.

CHAPTER NO. 135.

*Treasury Bills.*

GENERAL ANNOTATION.

ADMINISTRATION.

While the administration of this Chapter was not vested specifically in any Minister, it appears from the Determination of Functions of Departments, as well as from the subject-matter of the Chapter, that at the date of its preparation for inclusion it came within the responsibility of the Minister for Finance.

The present administration may be ascertained by reference to the most recent Determination of Titles and Responsibilities of Ministers made under Section 148(1) of the Constitution.

References in and in relation to this Chapter to—

“the Departmental Head”—should be read as references to the Secretary for Finance;

“the Department”—should be read as references to the Department of Finance.

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INDEPENDENT STATE OF PAPUA NEW GUINEA.

CHAPTER NO. 135.

*Treasury Bills Act.*

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ARRANGEMENT OF SECTIONS.

1. Interpretation—  
"Treasury Bill".
2. Issue of Treasury Bills.
3. Form and general conditions of Bills.
4. Limitation of subscriptions.
5. Payment.
6. Transferability.
7. Principal moneys a charge on the Consolidated Revenue Fund.
8. Central Bank as agent of the Government.
9. Repayment.
10. Application of Loans Securities Act.



INDEPENDENT STATE OF PAPUA NEW GUINEA.

CHAPTER NO. 135.

*Treasury Bills Act.*

Being an Act to provide for the issue of Treasury Bills as a method of Government loan raising.

**1. Interpretation.**

In this Act, unless the contrary intention appears "Treasury Bill" means a Government Treasury Bill issued under Section 2.

**2. Issue of Treasury Bills.**

(1) In this section, "ordinary revenue" includes revenues from taxes, levies, duties, rents and royalties and also from profits and income from any investment or undertaking of the State but does not include any loans, grants or other forms of external aid or any capital raised.

(2) Notwithstanding any other law, the Minister may borrow, by the issue in Papua New Guinea of securities to be known as Treasury Bills, such amounts that at any one time in any financial year the amount of Treasury Bills on issue shall not exceed 30% of the estimated ordinary revenue for that year.

*(Replaced by No. 46) of 1980.)*

**3. Form and general conditions of Bills.**

The Minister may, from time to time, determine—

- (a) the form in which Treasury Bills shall be issued; and
- (b) the method by which Treasury Bills shall be issued; and
- (c) the minimum amounts in which Treasury Bills may be issued; and
- (d) the terms on which Treasury Bills may be issued, including all matters relating to issue price and maturity; and
- (e) the conditions of payment of money payable under Treasury Bills; and
- (f) the conditions under which Treasury Bills may be transferred; and
- (g) any other matter necessary for the management of the borrowing.

**4. Limitation of subscriptions.**

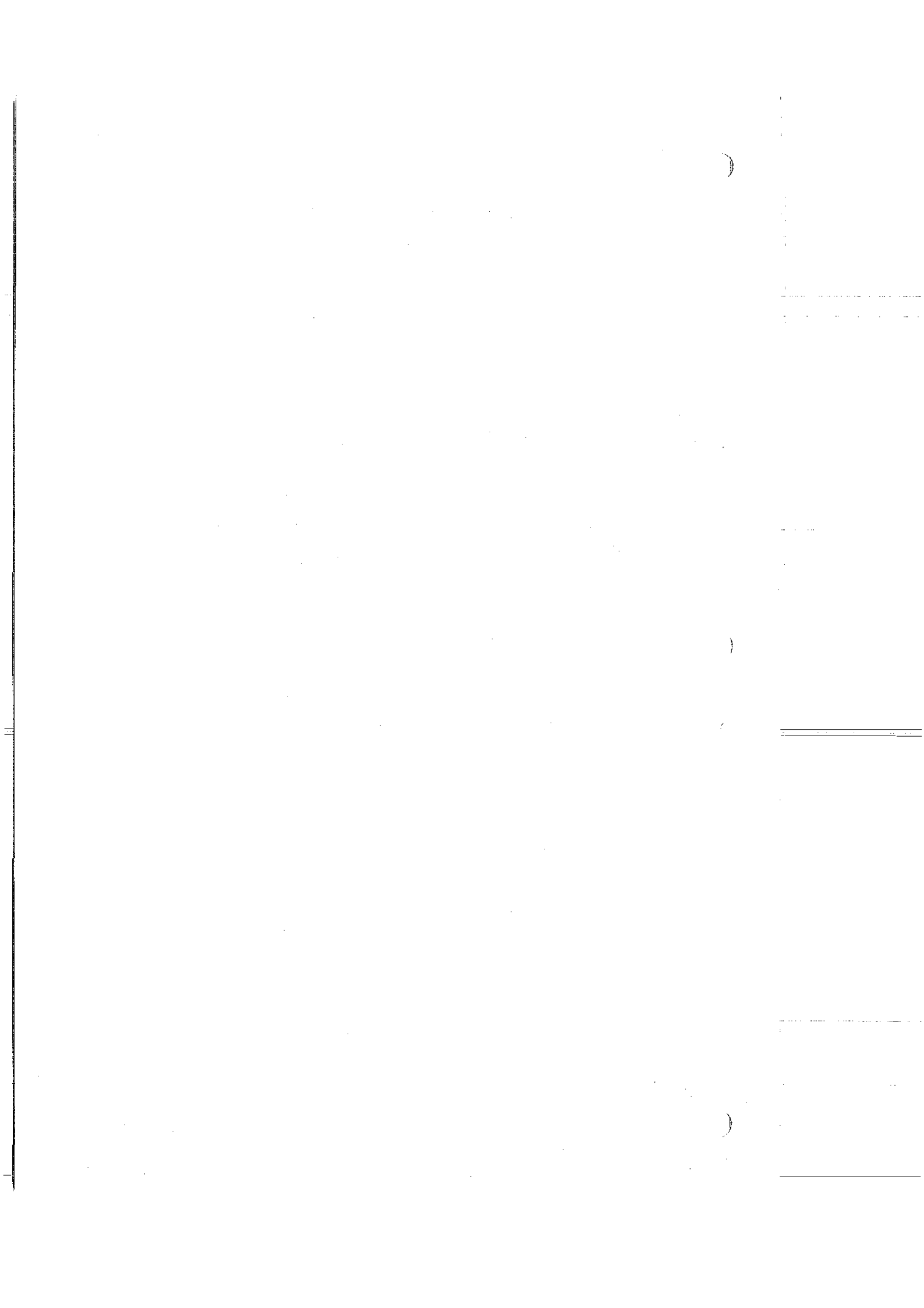
Without limiting the generality of Section 3, the Minister may, at any time, if he considers it desirable to do so, limit subscriptions to any issue of Treasury Bills—

- (a) to a certain amount; or
- (b) to certain persons,

or both, and he may decline to accept the whole or any part of any application for any Treasury Bill.

**5. Payment.**

A Treasury Bill issued under this Act is payable at par at such time or times as the Minister, before the issue of the Treasury Bill, fixes, being not later than one year from the date of issue.



**6. Transferability.**

Subject to Section 3, Treasury Bills are transferable.

**7. Principal moneys a charge on the Consolidated Revenue Fund.**

The principal moneys secured by the Treasury Bills issued under this Act rank equally and without priority or preference with moneys secured by Papua New Guinea Inscribed

Stock and Treasury Bonds and are a charge on and are payable out of the Consolidated Revenue Fund which, to the necessary extent, is appropriated accordingly.

**8. Central Bank as agent of the Government.**

The Minister may appoint the Central Bank as agent for the Government for the purposes of this Act.

**9. Repayment.**

The principal moneys secured by the Treasury Bills issued under this Act shall be repaid by the Central Bank on behalf of the Government, and on such repayment the Treasury Bills shall be cancelled by the Central Bank.

**10. Application of Loans Securities Act.**

(1) Subject to Subsection (2), the *Loans Securities Act* does not apply to Treasury Bills.

(2) Part VII. of the *Loans Securities Act*, with the necessary modifications, applies to Treasury Bills as though they were Treasury Bonds.



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APPENDIX.

SOURCE OF THE TREASURY BILLS ACT.

Part A.—Previous Legislation.

*Treasury Bills Act* 1974 (No. 58 of 1974)

as amended by—

*Treasury Bills (Amendment) Act* 1975 (No. 108 of 1975)

*Treasury Bills (Amendment) Act* 1979 (No. 48 of 1979)

*Treasury Bills (Amendment) Act* 1980 (No. 46 of 1980).

Part B.—Cross References.

Section, etc., ion Revised Edition.	Previous Reference <sup>1</sup> .
1	1
2	2
3	3
4	7
5	6
6	10
7	5
8	8
9	9
10	11

<sup>1</sup>Unless otherwise indicated, references are to the Act set out in Part A.

